

AMENDMENTS TO LB 950

Introduced by Nebraska Retirement Systems.

1 1. Insert the following new sections:

2 Sec. 10. Section 24-710.07, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 24-710.07 (1) Beginning July 1, 2000, and each July 1
5 thereafter, current benefits paid to a member or beneficiary shall
6 be adjusted so that the purchasing power of the benefit being paid
7 is not less than seventy-five percent of the purchasing power of
8 the initial benefit. The purchasing power of the initial benefit in
9 any year following the year in which the initial benefit commenced
10 shall be calculated by dividing the United States Department of
11 Labor, Bureau of Labor Statistics, Consumer Price Index for Urban
12 Wage Earners and Clerical Workers factor on June 30 of the current
13 year by the Consumer Price Index for Urban Wage Earners and
14 Clerical Workers factor on June 30 of the year in which the benefit
15 commenced. The result shall be multiplied by the product that
16 results when the amount of the initial benefit is multiplied by
17 seventy-five percent. In any year in which applying the adjustment
18 provided in subsection (2) of this section results in a benefit
19 which would be less than seventy-five percent of the purchasing
20 power of the initial benefit as calculated above, the adjustment
21 shall instead be equal to the percentage change in the Consumer
22 Price Index for Urban Wage Earners and Clerical Workers factor
23 from the prior year to the current year. In all other years, the

1 adjustment provided under subsection (2) of this section shall
2 be provided. The adjustment pursuant to this subsection shall not
3 cause a current benefit to be reduced.

4 (2) Except as provided in subsection (1) of this section:

5 (a) Beginning July 1, 2000, and until July 1, 2001, the
6 current benefit of a member or the beneficiary of such a member
7 shall be increased annually by the lesser of (i) the percentage
8 change in the Consumer Price Index for Urban Wage Earners and
9 Clerical Workers factor published by the Bureau of Labor Statistics
10 of the United States Department of Labor for the prior year or (ii)
11 two percent; and

12 (b) Beginning July 1, 2001, the current benefit of a
13 member or the beneficiary of such a member shall be increased
14 annually by the lesser of (i) the percentage change in the Consumer
15 Price Index for Urban Wage Earners and Clerical Workers factor
16 published by the Bureau of Labor Statistics of the United States
17 Department of Labor for the prior year or (ii) two and one-half
18 percent.

19 (3) The state shall contribute to the Nebraska Retirement
20 Fund for Judges an annual level dollar payment certified by the
21 board. For the 1996-97 fiscal year through the ~~2010-11~~ 2012-13
22 fiscal year, the annual level dollar payment certified by the
23 board shall equal 1.04778 percent of six million eight hundred
24 ninety-five thousand dollars.

25 (4) The board shall adjust the annual benefit adjustment
26 provided in this section so that the total amount of all
27 cost-of-living adjustments provided to the eligible retiree at

1 the time of the annual benefit adjustment does not exceed the
2 percentage change in the National Consumer Price Index for Urban
3 Wage Earners and Clerical Workers factor published by the Bureau
4 of Labor Statistics for the period between June 30 of the prior
5 year to June 30 of the present year. If the consumer price index
6 used in this section is discontinued or replaced, a substitute
7 index published by the United States Department of Labor shall be
8 selected by the board which shall be a reasonable representative
9 measurement of the cost of living for retired employees.

10 Sec. 15. Section 79-947.01, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 79-947.01 (1) Beginning July 1, 2000, and each July 1
13 thereafter, current benefits paid to a member or beneficiary shall
14 be adjusted so that the purchasing power of the benefit being paid
15 is not less than seventy-five percent of the purchasing power of
16 the initial benefit. The purchasing power of the initial benefit in
17 any year following the year in which the initial benefit commenced
18 shall be calculated by dividing the United States Department of
19 Labor, Bureau of Labor Statistics, Consumer Price Index for Urban
20 Wage Earners and Clerical Workers factor on June 30 of the current
21 year by the Consumer Price Index for Urban Wage Earners and
22 Clerical Workers factor on June 30 of the year in which the benefit
23 commenced. The result shall be multiplied by the product that
24 results when the amount of the initial benefit is multiplied by
25 seventy-five percent. In any year in which applying the adjustment
26 provided in subsection (2) of this section results in a benefit
27 which would be less than seventy-five percent of the purchasing

1 power of the initial benefit as calculated above, the adjustment
2 shall instead be equal to the percentage change in the Consumer
3 Price Index for Urban Wage Earners and Clerical Workers factor
4 from the prior year to the current year. In all other years, the
5 adjustment provided under subsection (2) of this section shall
6 be provided. The adjustment pursuant to this subsection shall not
7 cause a current benefit to be reduced.

8 (2) Except as provided in subsection (1) of this section:

9 (a) Beginning July 1, 2000, and until July 1, 2001, the
10 current benefit of a member or the beneficiary of such a member
11 shall be increased annually by the lesser of (i) the percentage
12 change in the Consumer Price Index for Urban Wage Earners and
13 Clerical Workers factor published by the Bureau of Labor Statistics
14 of the United States Department of Labor for the prior year or (ii)
15 two percent; and

16 (b) Beginning July 1, 2001, the current benefit to a
17 member or the beneficiary of such a member shall be increased
18 annually by the lesser of (i) the percentage change in the Consumer
19 Price Index for Urban Wage Earners and Clerical Workers factor
20 published by the Bureau of Labor Statistics of the United States
21 Department of Labor for the prior year or (ii) two and one-half
22 percent.

23 (3) The state shall contribute to the Annuity Reserve
24 Fund an annual level dollar payment certified by the board. For
25 the 1996-97 fiscal year through the ~~2010-11~~ 2012-13 fiscal year,
26 the annual level dollar payment certified by the board shall equal
27 81.7873 percent of six million eight hundred ninety-five thousand

1 dollars.

2 (4) The retirement board shall adjust the annual benefit
3 adjustment provided in this section so that the total amount of
4 all cost-of-living adjustments provided to the eligible retiree
5 at the time of the annual benefit adjustment does not exceed the
6 percentage change in the National Consumer Price Index for Urban
7 Wage Earners and Clerical Workers factor published by the Bureau
8 of Labor Statistics for the period between June 30 of the prior
9 year to June 30 of the present year. If the consumer price index
10 used in this section is discontinued or replaced, a substitute
11 index published by the United States Department of Labor shall be
12 selected by the board which shall be a reasonable representative
13 measurement of the cost of living for retired employees.

14 (5) In addition to the adjustments provided in
15 subsections (1), (2), and (4) of this section, the current benefit
16 to a member or beneficiary of such member, and for which the first
17 payment was dated on or before June 30, 2007, shall be subject to
18 adjustment of the greater of (a) the annuity payable to the member
19 or beneficiary as adjusted, if applicable, under the provisions
20 of subsection (1), (2), or (4) of this section or (b) eighty-five
21 percent of the annuity which results when the original annuity that
22 was paid to the member or beneficiary, before any cost-of-living
23 adjustments under this section, is adjusted by the increase in the
24 Consumer Price Index for Urban Wage Earners and Clerical Workers
25 for the period between the commencement date of the annuity and
26 June 30, 2007.

27 Sec. 20. Section 81-2027.03, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 81-2027.03 (1) Beginning July 1, 2000, and each July 1
3 thereafter, current benefits paid to a member or beneficiary shall
4 be adjusted so that the purchasing power of the benefit being paid
5 is not less than sixty percent of the purchasing power of the
6 initial benefit. The purchasing power of the initial benefit in
7 any year following the year in which the initial benefit commenced
8 shall be calculated by dividing the United States Department of
9 Labor, Bureau of Labor Statistics, Consumer Price Index for Urban
10 Wage Earners and Clerical Workers factor on June 30 of the current
11 year by the Consumer Price Index for Urban Wage Earners and
12 Clerical Workers factor on June 30 of the year in which the
13 benefit commenced. The result shall be multiplied by the product
14 that results when the amount of the initial benefit is multiplied
15 by sixty percent. In any year in which applying the adjustment
16 provided in subsection (2) of this section results in a benefit
17 which would be less than sixty percent of the purchasing power
18 of the initial benefit as calculated above, the adjustment shall
19 instead be equal to the percentage change in the Consumer Price
20 Index for Urban Wage Earners and Clerical Workers factor from the
21 prior year to the current year. In all other years, the adjustment
22 provided under subsection (2) of this section shall be provided.
23 The adjustment pursuant to this subsection shall not cause a
24 current benefit to be reduced.

25 (2) Except as provided in subsection (1) of this section:

26 (a) Beginning July 1, 2000, and until July 1, 2001, the
27 current benefit of a member or the beneficiary of such a member

1 shall be increased annually by the lesser of (i) the percentage
2 change in the Consumer Price Index for Urban Wage Earners and
3 Clerical Workers factor published by the Bureau of Labor Statistics
4 of the United States Department of Labor for the prior year or (ii)
5 two percent; and

6 (b) Beginning July 1, 2001, the current benefit of a
7 member or the beneficiary of such a member shall be increased
8 annually by the lesser of (i) the percentage change in the Consumer
9 Price Index for Urban Wage Earners and Clerical Workers factor
10 published by the Bureau of Labor Statistics of the United States
11 Department of Labor for the prior year or (ii) two and one-half
12 percent.

13 (3) The state shall contribute to the State Patrol
14 Retirement Fund an annual level dollar payment certified by the
15 board. For the 1996-97 fiscal year through the ~~2010-11~~ 2012-13
16 fiscal year, the annual level dollar payment certified by the
17 board shall equal 3.04888 percent of six million eight hundred
18 ninety-five thousand dollars.

19 (4) The board shall adjust the annual benefit adjustment
20 provided in this section so that the total amount of all
21 cost-of-living adjustments provided to the eligible retiree at
22 the time of the annual benefit adjustment does not exceed the
23 percentage change in the National Consumer Price Index for Urban
24 Wage Earners and Clerical Workers factor published by the Bureau
25 of Labor Statistics for the period between June 30 of the prior
26 year to June 30 of the present year. If the consumer price index
27 used in this section is discontinued or replaced, a substitute

1 index published by the United States Department of Labor shall be
2 selected by the board which shall be a reasonable representative
3 measurement of the cost of living for retired employees.

4 2. On page 18, line 14, after the first occurrence of
5 "employees" insert "and temporary employees".

6 3. On page 28, strike beginning with "Termination" in
7 line 1 through line 8, show the old matter as stricken, and insert
8 "A member shall not be deemed to have terminated employment if the
9 member subsequently provides service to any employer participating
10 in the retirement system provided for in the School Employees
11 Retirement Act within one hundred eighty calendar days after
12 ceasing employment unless such service:

13 (a) Is voluntary or substitute service provided on an
14 intermittent basis; or

15 (b) Is as provided in subsection (2) of section 79-920.

16 A member shall not be deemed to have terminated
17 employment if the board determines that a purported termination was
18 not a bona fide separation from service with the employer;".

19 4. On page 29, line 2, after "for" insert "an average
20 of"; in line 3 after "in" insert "each calendar month of"; and
21 in line 15 strike beginning with "Except" through "each", show as
22 stricken, and insert "Each".

23 5. On page 31, line 8, after "a" insert "public".

24 6. Renumber the remaining sections and correct the
25 repealer accordingly.